

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 EB-07 CIAE-00 PM-03 H-02 INR-07 L-02

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O P 182347Z APR 75
FM AMEMBASSY TEGUCIGALPA
TO SECSTATE WASHDC NIACT IMMEDIATE 9793
SIA WASHDC PRIORITY
USIA WASHDC PRIORITY
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AMEMBASSY GUATEMALA PRIORITY
AMEMBASSY MANAGUA PRIORITY
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AMEMBASSY SAN SALVADOR PRIORITY

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COSTA RICA. " THEOFFICIAL SOURCES QUOTED HERE,"
(MANAGUA) SAID "THAT IN THE MEETING THE PRESIDENTS
...WILL EXPRESS THEIR SUPPORT ... OF LOPEZ." IN
ANOTHER FRONT PAGE ARTICLE BY JUAN RAMON ARDON, EL
CRONISTA QUOTES AN UNIDENTIFIED SOURCE AS SAYING THAT
THE WALL STREET JOURNAL STORY HAS NOT HAD ANY SIGNIFI-
CANT EFFECT ON HONDURAN LIFE AND THAT THE OPERATIONS
OF BUSINESS AND GOVERNMENT CONTINUE NORMALLY. THE
ARTICLE ADDITIONALLY SAYS "IF THIS SUPPOSED BRIBERY,
(OF WHICH GENERAL LOPEZ HAS BEEN PROVEN TO BE
GUILTY), HAS DAMAGED THE NATIONAL HONOR, AT NO
MOMENT CAN IT BE AS SERIOUS AS THOSE ALARMISTS AND
OPPORTUNISTS WHO WISH TO DENIGRATE THE GOVERNMENT.."
IT IS LIKELY "THAT IN THIS BRIBERY THERE IS IMPLICATED
ANOTHER CENTRAL AMERICAN GOVERNMENT THAT IS USING
THIS MEASURE TO FORCE HONDURAS TO REDUCE THE BANANA
TAX."

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8. ALSO PRESENT ON EL CRONISTA'S PAGE ONE IS THE REPRINT OF AN MAY 14, 1974 CABLE TO MINECON BENNATON FROM A CITIZENS' GROUP IN LA CEIBA OPPOSING THE BANANA TAX. THE ARTICLE'S AUTHOR, GERARDO ALFREDO MEDRANO, SAYS THAT HE IS NOT ACCUSING ANYBODY BUT THAT HE MERELY WISHES TO SHOW THE RPRESSURES APPLIED BY HONDURANS ON THE GOH TO REDUCE THE TAX. HE IMPLIES THAT ANY SUCH REDUCTION WAS CAUSED BY SUCH PRESSURES RATHER THAN BY BRIBERY BY UB.

9. APPEARING AMONG EL CRONISTA'S FIVE FRONT PAGE ITEMS (ALL DEFENDING LOPEZ) CONCERNING THE UB SCANDAL IS A STORY BY IRMA SANTOS HEADED "UB INTENDS TO CONVER THE ARMED RORCES INTO ITS OWN INSTRUMENT." SUBHEADINGS SAY: "HISTORICALLY THE FRUIT COMPANIES HAVE BRIBED LATIN AMERICAN GOVERNMENTS," "UB IS VILGAR AND UNFAITHFUL," AND "THE FRUIT COMPANY LOOKED FOR A WAY TO BOLIGE THE ARMED FORCES TO MAKE CHANGES BENEFITTING COMPANY INTERESTS." SANTOS BEGINS BY QUOTING SUTRAFSCO (STANDARD FRUIT CO UNION) PRESIDENT NAPOLEON ACEVEDO AS SAYING THAT UB IS TRYING TO PROVOKE CHAOS IN HONDURAS AND THAT THE COMPANY HAS ALWAYS BRIBED LATIN AMERICAN GOVERNMENTS. ACEVEDO SAID THAT SUTRAFSCO WILL PROPOSE A RESOLUTION AT THE FESITRANH CONGRESS APRIL 18-20) CALLING FOR THE GOH TO TAKE "RADICAL STEPS" AGAINST THE FRUIT COMPANIES. IN THE LONG EDITORIAL BY HOSTILIO LOBO, EL CRONISTA DEVELOPES THE THESIS THAT THE RELATIONSHIP BETWEEN THE USG AND MULTI-NATIONAL COMPANIES IS VERY CLOSE, WHILE SAYING "WE DO NOT INTEND TO SAY THAT IN THE SPECIFIC CASE OF THE UB AFFAIR THE USG IS INVOLVED." ALL OF THE PAPER'S ARTICLES AND EDITORIALS PRESENT THE VIEW THAT LOPEZ IS INNOCENT AND THAT THE WHOLE SCANDAL IS A RESULT OF A SINISTER PLOT BY UB.

10. TIEMPO OF APRIL 18 PROVIDES NO EDITORIAL COMMENT ON THE UB SCANDAL. ITS ONLY RELATED ITEMS ARE A VERBATIM TRANSCRIPT OF THE AUGUST 21, 1974 AGREEMENT ON THE BANANA TAX BETWEEN UB AND THE GOH AND THE JOINT DECLARATION BY THE NATIONALIST AND LIBERAL LIMITED OFFICIAL USE
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PARTIES.

11. COMMENT: THE EMBASSY PERCEIVES A GROWING ACCEP-TANCE ON THE PART OF INFLUENTIAL HONDURANS OF THE QUILT OF GENERAL LOPEZ IN THE UB BRIBERY CASE. ALSO, WITH THE PRINTING OF THE POLITICAL PARTIES'

DECLARATION AND LA PRENSA'S EDITORIAL AND NEWSTORIES
APRIL 18 WE SEE THE FIRST PUBLIC SUGGESTIONS THAT
LOPEZ SHOULD BE REMOVED. CONTRARY TO EL CRONISTA'S
VIEWS, THERE IS A CERTAIN DEGREE OF UNCERTAINTY
WITHIN THE BUSINESS COMMUNITY AND LITTLE WORK IS
BEING CARRIED OUT IN THE MINISTRIES. RICARDO ZUNIGA,
NATIONALIST PARTY LEADER, TOLD POLOFF APRIL 17 THAT
HE ACCEPTED LOPEZ'S GUILT AND THAT HIS DAYS ARE
NUMBERED. HE ALSO ADDED THAT THE LARGE NUMBER OF
PRO-LOPEZ, ANTI UB ARTICLES WAS THE RESULT OF PAY-
OFFS. SEVERAL MEMBERS OF THE STAFF OF EL CRONISTA
HAVE LONG BEEN RUMORED TO RECEIVE REGULAR GOVERNMENT
STIPENDS. LABOFF HAS BEEN INFORMED THAT FESITRANH

LEADERSHIP INTENDS TO BLUNT SUTRAFSCO RESOLUTION
CALLING FOR STRONG ACTION AGAINST UB.

12. DEMONSTRATION ORIGINALLY PLANNED FOR APRIL 17
CALLED OFF. SOME INDICATION THAT DEMONSTRATION
WILL BE HELD NEXT WEEK.

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